



Department of Justice

FOR IMMEDIATE RELEASE
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**SOUTH DAKOTA DAIRY AGREES TO PLEAD GUILTY AND PAY A \$250,000
FINE FOR ITS PARTICIPATION IN A MILK PRICE FIXING CONSPIRACY**

WASHINGTON, D.C. -- A Rapid City, South Dakota dairy company agreed to plead guilty and pay a \$250,000 criminal fine today for participating in a milk price fixing conspiracy involving publicly bid contracts in South Dakota, said the Department of Justice.

The Department of Justice's Antitrust Division filed a one-count felony case in U.S. District Court in Sioux Falls, South Dakota, against Gillette Dairy of the Black Hills Inc. charging that the company and others conspired to fix prices, rig bids, and allocate customers with respect to publicly bid contracts for the sale of dairy products in South Dakota. The conspiracy began as early as 1987 and continued until at least 1991.

To date, 67 corporations and 59 individuals have been convicted and a total of approximately \$68 million in fines and damages have been imposed in cases involving the supply of dairy products to public school districts and other customers. Twenty-nine individuals have been sentenced to serve an average of approximately seven months imprisonment.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said the charges arose in connection with

an investigation in Minnesota and surrounding states into collusive practices by dairy products suppliers.

The continuing investigation is being conducted by the Antitrust Division's Chicago Field Office, the U.S. Attorney for the District of South Dakota, the U.S. Attorney for the District of Minnesota, and the Federal Bureau of Investigation. State authorities are also providing assistance to the investigation.

The victims of the conspiracy charged today have the right to seek civil treble damages. The victims of these types of conspiracies nationwide have recovered more than \$100 million in civil damages.

The maximum penalty for a corporation convicted under the Sherman Act for a violation occurring after November 16, 1990, is a fine not to exceed the greatest of \$10 million, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

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